Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	CC Docket No. 98-14
Number Portability Query Services	)	CCB/CPD 97-46, 97-52, 97-64, 97-65

OPPOSITIONS TO DIRECT CASE
BY SPRINT SPECTRUM L.P. d/b/a SPRINT PCS

I. The FCC Must Reject The Tariffs Without Specific Cost Information

Ameritech did not provide specific cost information which would allow the FCC

and interested parties to determine whether Ameritech's proposed tariff charges are

lawful. For example, Ameritech claims to have only included direct Query Service costs,

but does not provide a list of the costs (or any type of cost model) it actually used in

deriving the tariff charges. Ameritech also claims to have allocated joint direct costs

between LNP and Query Service, but does not identify the specifics costs or how the

allocation was made. Ameritech claims to have prepared demand forecasts, but those

forecasts were not provided. Ameritech claims to have included reasonable overhead

costs, but never identifies the what those costs are. Without specific cost information,

Ameritech's proposed tariffs should be rejected.

Bell Atlantic provided only scanty, summary information about how its charges

were derived. Bell Atlantic mentions that total query costs were developed by applying

appropriate cost factors from Bell Atlantic's standard cost models, but Bell Atlantic did

not provide its cost model or the cost factors it used. Nor did Bell Atlantic provide its

forecast number of database queries and the data underlying its forecast. In short, there is no substantial record evidence to support the proposed tariff charges.

Pacific Bell and Southwestern Bell have asked to submit revised tariffs and to refile demand and cost data. Pacific Bell's and Southwestern Bell's request should not be granted without the FCC directing them to submit meaningfully specific data to enable the FCC and interested parties to determine exactly how Pacific Bell and Southwestern Bell derive their charges. If Pacific Bell and Southwestern Bell are unwilling to provide that information, their tariffs must not be approved.

II. Wireless Providers Should Not Be Charged For Query Service Before They Are LNP-Capable

Under §251(b)(2), only local exchange carriers have "The duty to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission." Wireless carriers cannot be lawfully required to bear the cost of wireline number portability.

Even assuming for the sake of argument that wireless carriers have an obligation under the Communications Act to provide number portability, requiring wireless carriers to bear the cost of wireline number portability from December 31, 1998 through June 31, 1999 (or through whatever date wireless carriers become LNP-capable on) violates §251(e)(2) which requires that "The cost of establishing telecommunications numbering administration arrangements and number portability shall be borne by all telecommunications carriers **on a competitively neutral basis** as determined by the Commission." (Emphasis added.) Wireless carriers are required to be able to deliver calls to a ported number (e.g., where an RBOC customer has ported a number to a CLEC)

2

before they are required to be LNP capable, which is not until June 31, 1999, if no extensions are granted. The RBOCs (and other incumbent LECs, such as GTE) want to charge wireless carriers for default routing, even though wireless carriers, before June 31, 1999, do not cause any of the costs associated with a number being ported and do not get any of the benefit, in this phase of number portability. During this first phase of number portability, only wireline carriers are LNP-capable. So, wireline customers may port their numbers to other wireline carriers, but they cannot port their numbers to wireless carriers. If wireless carriers must pay query service charges before they are LNP-capable, wireless carriers subsidize wireline number portability. That is not a competitively neutral scheme.

III. Wireless Carriers Should Not Be Charged A Load Charge Above Incremental Cost

Ameritech essentially admits that its Query Service charges are not competitively neutral, and argues that is allowed to charge more than incremental cost – adding in a so-called "load factor" – because Query Service charges are supposedly not a number portability service. But, the FCC has already held that query service is a number portability service and that charges for it must be competitively neutral. In its March 11, 1997 *First Memorandum Opinion and Order on Reconsideration*,[1] the FCC eliminated the fourth performance criteria that a carrier may not rely on another's database to route calls to the proper termination point, allowing query service instead, and the FCC clarified that a LEC may charge the N-1 carrier for performing a query, "**pursuant to the**

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[1] *First Memorandum Opinion and Order on Reconsideration*, CC Docket No. 95-116, FCC 97-74 (March 11, 1997).

guidelines the Commission will establish in the order addressing long-term number portability cost allocation and recovery," which require that cost recovery charges be competitively neutral. Paragraph 126 (emphasis added).

Query service is clearly a number portability service, especially as it applies to wireless carriers, and query service charges must be competitively neutral. Wireless carriers, as discussed, are required to be able to deliver calls to ported numbers in the first phase of number portability, before June 31, 1999. Wireless carriers are already being asked to pay the costs associated with a wireline customer porting his or her number to another wireline carrier. It would be particularly egregious to make them pay anything more than incremental cost.

IV. Query Charges Should Only Be Permitted After A Number Has Been Ported Out Of An NXX

Sprint PCS has had discussions with all the RBOCs about prearranged query services. Ameritech proposes only to charge a Query Service charge on a call to an exchange from which a number has been ported. Ameritech's proposed practice is consistent with how the FCC has envisioned default routing: "A 'default routed call' situation would occur in a Location Routing Number system as follows: when a call is made to a telephone number in an exchange with any ported numbers, the N-1 carrier (or its contracted entity) queries a local Service Management System database to determine if the called number has been ported. If the N-1 carrier fails to perform the query, the call is routed, *by default*, to the LEC that originally serviced the telephone number." *Second Report & Order*,[2] Paragraph 76.

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[2] *Second Report & Order*, CC Docket No. 95-116, FCC 97-289 (August 18, 1997).

That's consistent with NANC's view of LRN and default routing. Attached to these comments are excerpts from NANC's *Architecture & Administrative Plan for Local Number Portability* (April 23, 1997). Under NANC's LRN call scenarios, a query is performed only when the number called cannot be found on the LEC switch. A query is not made on every call, but only when a call is made to a number that has been ported out of an exchange.

In contrast to Ameritech's proposed practice and to the FCC and NANC's view of LRN and default routing, other RBOCs in this docket have told Sprint PCS that they plan to do a query on every call they receive and to charge a query service charge on every call, even if that call is to a number in the RBOC's switch and not to an exchange from which a number has been ported. (Other incumbent LECs may do the same.) That practice is unreasonable, not competitively neutral, and has a tremendous adverse cost impact. For example, suppose that only 30% of calls routed to an RBOC are calls to exchanges from which a number has been ported. The RBOCs, except Ameritech, would nevertheless charge a query service charge on 100% of calls routed to them. Depending on call volume and the number of NXXs from which a number has been ported, Sprint PCS estimates the cost impact from the a LEC charging a query service charge on every call to be in the range of a couple of million dollars a year to tens of millions of dollars of year.

It is unnecessary to perform a query on all calls routed to an LEC in an LRN environment. It is only necessary for the LEC to perform a query when a number cannot

be found in its switch. It is unreasonable to require a carrier to pay a query service charge on all calls routed to a LEC.

V. The FCC Should Establish Federal and State Query Service Charges for Wireless Carriers

The FCC has sole and exclusive jurisdiction over long-term number portability cost recovery under §251(e)(2). The same facilities, equipment, databases, and software are used to perform queries, regardless of whether a call is routed to a LEC from an IXC, a wireless carrier, or another LEC. The only possible exception to this might be if a state has opted out of a regional database to set up its own database, but to Sprint PCS's knowledge, no state has opted out of one. Under the circumstances, it would be a waste of time and resources to have duplicate state query service charge proceedings.

VI. The FCC Should Not Approve Type III Costs, At Least Given The Lack Of Facts Presented By The RBOCs

The FCC's *First Report & Order*[3] tentatively identifies three categories of costs associated with building and operating a long term number portability system. One category is "carrier-specific costs not directly related to providing number portability, such as network upgrades involving Advanced Intelligent Network (AIN) and Signaling System 7 (SS7) technologies." The FCC tentatively concluded that these Type III costs should be borne by individual carriers as network upgrades, finding: "These costs are associated with the provision of a wide variety of services unrelated to the provision of number portability, such as CLASS features. Provision of these services will facilitate

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[3] *First Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 95-116, FCC 96-286 (July 2, 1996).

the ability of incumbent carriers to compete with the offerings of new entrants." *First Report & Order*, Paragraph 227.
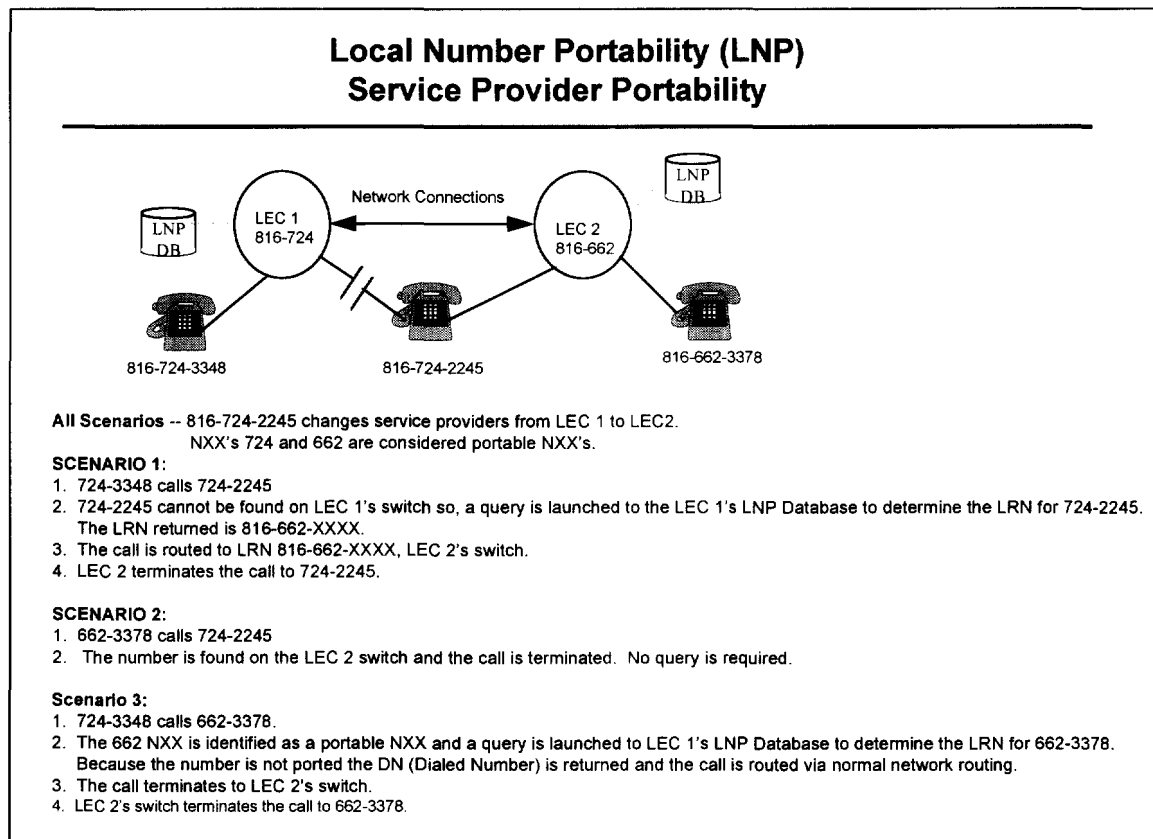
Despite the FCC's tentative conclusion that Type III costs cannot be recovered from other carriers, Ameritech and Bell Atlantic seek to recover SS7, OSS and billing modification costs. Ameritech admits that it makes the Type III "modifications, enhancements, and augmentations" available to "other service applications." Ameritech, though, has not identified these "other service applications." Ameritech claims to have "allocated the costs between all applications that benefited from them based upon relative usage," and it ascribes a 15% allocation factor of the total SS7 costs to Query Service, although Ameritech does not appear to identify an allocation factor for OSS and billing modifications. Ameritech did not provide any data to allow the FCC and interested parties to determine whether Ameritech's allocation factors are appropriate. Bell Atlantic does not even mention whether it attempted to allocate SS7, OSS and billing modifications, enhancement, and augmentations between number portability query service and other service applications.

Without at least sufficient data to allow the FCC and interested parties to determine whether the Type III costs are properly allocated to query service, the FCC

Excerpts from NANC's *Architecture & Administrative Plan For Local Number Portability* (Issue-1, Revision 3, April 23, 1997)

8.   LNP Call Scenarios - Local to Local View

Example LNP call scenarios on Service Provider Portability are shown in Figure 2. See additional example scenarios in Attachment A for N-1 Call Routing.

Local Number Portability (LNP)
Service Provider Portability

Network Connections

LNP DB

LEC 1 816-724

LEC 2 816-662

LNP DB

816-724-3348   816-724-2245   816-662-3378

All Scenarios -- 816-724-2245 changes service providers from LEC 1 to LEC2.
          NXX's 724 and 662 are considered portable NXX's.
SCENARIO 1:
1. 724-3348 calls 724-2245
2. 724-2245 cannot be found on LEC 1's switch so, a query is launched to the LEC 1's LNP Database to determine the LRN for 724-2245. The LRN returned is 816-662-XXXX.
3. The call is routed to LRN 816-662-XXXX, LEC 2's switch.
4. LEC 2 terminates the call to 724-2245.

SCENARIO 2:
1. 662-3378 calls 724-2245
2. The number is found on the LEC 2 switch and the call is terminated. No query is required.

Scenario 3:
1. 724-3348 calls 662-3378.
2. The 662 NXX is identified as a portable NXX and a query is launched to LEC 1's LNP Database to determine the LRN for 662-3378. Because the number is not ported the DN (Dialed Number) is returned and the call is routed via normal network routing.
3. The call terminates to LEC 2's switch.
4. LEC 2's switch terminates the call to 662-3378.

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Figure 2

EXAMPLE N-1 CALL SCENARIOS

Refer to Paragraph 7.8 of the main document for the definition of N-1 carrier. Also refer to Section 8 of the main document for the local to local view of LNP call scenarios.

Refer to the figure on the last page of this attachment to help understand the call processing and routing described in the following call scenarios.

All Scenarios:

1. 816-724-2245 has changed service providers from LEC-1 to LEC-2.
2. NXX's 724 and 662 are considered ported NXX's.

WIRELINE LONG DISTANCE CALLS

SCENARIO A1 (Long Distance - LNP/LRN Capable IXC):

1. 507-863-2112 calls long distance to 816-724-2245 from outside the ported area.
2. LEC-3 routes the call to the caller's pre-subscribed carrier without any requirement to determine the LRN.
3. The pre-subscribed IXC (IXC-1) is the N-1 carrier, determines the LRN by performing a database dip, and routes the call to LEC-2. If IXC-1 does not have a direct connection to LEC-2, calls may be terminated through tandem agreement with LEC-1.

SCENARIO A2 (Long Distance - IXC without LNP/LRN capability):

1. 507-863-2112 calls long distance to 816-724-2245 from outside the ported area.
2. LEC-3 routes the call to the caller's pre-subscribed carrier without any requirement to determine the LRN.
3. The pre-subscribed IXC (IXC-2) is the N-1 carrier. Because IXC-2 does not have LNP/LRN capability, IXC-2 should have an agreement with LEC-1 (or LEC-2) to terminate default routed traffic, and LEC-1 (or LEC-2) becomes the carrier actually performing the LNP/LRN function to determine proper routing.

WIRELINE LOCAL CALLS FROM OUTSIDE THE PORTED AREA

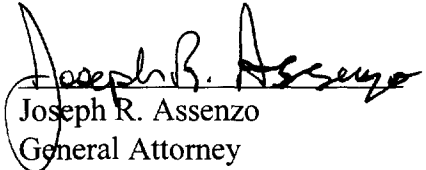## SCENARIO A3 (Local call outside ported area - LNP/LRN Capable LEC):

1. 816-845-1221 makes a call within her local calling area, but from outside the ported area to 816-724-2245.
2. LEC-4 is the N-1 carrier and performs the database dip to determine the LRN and then routes the call to LEC-2. If no direct connection exists between LEC-4 and LEC-2, calls may be terminated through tandem agreement with LEC-1.

SCENARIO A4 (Local call outside ported area - LEC without LNP/LRN capability):

1. 816-845-1221 makes a call within her local calling area, but from outside the MSA and ported area to 816-724-2245.
2. LEC-4 is the N-1 carrier and at some time may be required to perform the database dip to determine the LRN to route the call to LEC-2. Until that time, LEC-4 should arrange with LEC-1 (or LEC-2) to terminate default routed calls.

should not modify its tentative conclusion that carriers should bear their own Type III costs.

Respectfully submitted,

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February 20, 1998